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tion three (194 pp.) communication by sea is discussed in eleven different chapters, including such topics as seaports, the necessity of straits and isthmuses, the Suez, Panama, North Sea, and Baltic canals. Finally, in section four (52 pp.) there is to be found a consideration of the means of disseminating intelligence, a part of the book which, as pointed out by the author, is less adapted to geographical treatment than any of the others. There are chapters dealing with the languages of commerce, the post office, the telegraph and the telephone, the submarine cable, etc.

At the end of each chapter is an extensive bibliography covering, in each case, the special topics discussed; and numerous references and footnotes are to be found scattered throughout the volume. Most of the references cited, however, are in German. The book is unusually free from statistical data. There are several maps drawn by Professor Max Eckert and taken, with his permission, from his *Leitfaden der Handels-Geographie* (third edition, Leipzig, 1911).

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Die Wirtschaftsverfassung der Republik Chile. Zur Entwicklungsgeschichte der Geldwirtschaft und der Papierwährung.

By ERNST WAGEMANN. (Leipzig: Duncker und Humblot. 1913. Pp. 253. 6 M.)

It is refreshing, in the midst of the superficial trade and travel literature about Latin America and especially South America prevalent today, to encounter a book like this. The scenery is not mentioned once, or the peculiar Latin-American temperament. No specific methods for developing trade are suggested, but this book in its 228 pages of text is packed with economic information about Chile which, to the best of my knowledge, is correct and on the whole correctly interpreted. Furthermore, despite their quantity the facts and figures do not get the upper hand, but are kept in proper control and proportion.

As its subtitle shows, the book is written from the viewpoint of the economic historian; and the fluctuating paper standard of Chile is perceived to be the most pressing economic problem of Chile today. Without following the order of the book, which develops formally from "Ausgestaltung" to "Grundlagen," 9 pages are devoted to the colonial period and in bringing Chile up to 1830, during which time the existence of the *Naturalwirtschaft*

and the rise of the *Geldwirtschaft* are pointed out with Roscherian definiteness. Elsewhere 16 more pages are given to the period of presidential authority (1830-70); its breaking down (1871-91); and to the rise of the half dozen parties (1891 —), all from the point of view of the trained economist who has been on the spot.

There are 41 pages summarizing the nature and development of the economic resources—nitrate, copper, and other metals, agriculture, and the means of transportation; and 23 more pages covering the evolution of trade, domestic and foreign, in which the development of the import, wholesale, and retail trade, the organization of the export and import trade, and the rise of protectionism are noted, also the different nations represented in the investors and operators of capital. In 26 pages are furnished the most essential facts about the population, its origin, its infiltrated elements, its character, and its economic possibilities.

The remaining half of the text (113 pages) centers about the currency problem of Chile in various chapters upon banking, foreign and domestic, including the mortgage banks and associations; the stock exchange and exchange market; the history of the currency and crises; the rate of exchange; and the finances and financial system of the Chilean government. Dr. Wagemann is undoubtedly right in fixing upon the fluctuating paper money as the greatest single economic problem facing the people of Chile, and correctly traces many evil effects of it upon the activities and morals of the people in general, though speculation and corruption are found in countries where the gold standard rules. But the fact remains that Chile, though she is the third country in South America in importance and more important in foreign trade than all the other countries on the West Coast combined, has probably the worst currency of any of the thirteen countries and colonies of that continent. In Paraguay, the Argentine gold peso furnishes the basis for business and in Colombia the rate of depreciation has become stabilized; but in Chile all the people receive exchange quotations in gold pence for their paper money in the night and morning papers and the leading business houses have private wires to the exchange center—Valparaiso. The importer who sells in the country for future payment has to buy exchange and the exporter who sells out of the country reciprocally has to sell exchange to protect himself. In other words, "hedging" in the currency is necessary in addition to the incurring of the ordinary risks of the market. One has but to see the books in the

counting houses kept in three monies—"esterlina" (£), "oro" (18d), and "papel" (fluctuating paper money)—and learn that these monies are used simultaneously and interchangeably, to realize the tremendous drain of the present currency in mere physical friction on the business men of Chile. The Chilean government, not without reason at times, has dodged the issue for nearly a quarter of a century and repeatedly postponed the date of resumption from 1901, to 1905, to 1910. January 1, 1915, is the last date fixed upon. The conversion act of May 11, 1912, is but a halfway measure, since, unlike the law of the conversion banks of Argentina and Brazil, the flow of paper for gold is not balanced by the flow of gold for paper save to original depositors of gold.

On the whole, Dr. Wagemann's analysis of Chile does not reveal conditions of glowing promise, and he finds in the thirties, long before the coming of paper money and the acquisition of the nitrate fields, symptoms boding ill for the future. But he notes today some encouraging tendencies. Technical advances have been made, particularly in the nitrate and copper industries, but largely due to European and North American influence. More encouraging are the housing reforms which have been initiated by leading Chileans against the frightful conditions of workingmen's tenements (*castillos*) particularly in Santiago. There is a keener realization of political corruption, and action has already been taken toward municipal reform. He pays some rather left-handed compliments to the United States. The pernicious *geldwirtschaftliche* condition has developed so sharply as to be called Americanism. The opening of the Panama Canal may benefit the Chileans by making them so fearful of the powerful brothers of the north as to render them more amenable to the uplifting influences of Germany and (mirabile dictu) England. The direct economic effect of the canal on Chile is doubtful. It is certainly not of so much moment as the development of international railroads in South America.

A well-selected, classified bibliography of some 160 titles is appended.

Criticisms of this book are few and unimportant. One might wish that the stages of economic development did not protrude in so many places, but partiality in treating the specific data presented is not suspected. One might wish that averages and not absolute figures were used a bit more in some of the statistical

presentations, but many statistical tables are appended *in toto* for the reader to average if he wishes. One might wonder that secondary books like Wright or Poirier should be mentioned even parenthetically in the sources, and a book like Akers be entirely neglected.

Dr. Wagemann's book is superior to Galdames' *Jeografia Economica de Chile*, which is properly highly regarded. It is by all odds the best single book on the economic resources and conditions of Chile. It is certainly equal to Denis' *Brazil*, and Eder's *Colombia*. No close student of Latin America can neglect it, and it is worthy of translation for the use of those in business with Chile.

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La Taille en Normandie au Temps de Colbert (1661-1683). By EDMOND ESMONIN. (Paris: Librairie Hachette et Cie. 1913. Pp. xxx, 552.)

The *taille* played the most important role of all the fiscal institutions of the ancient monarchy. Normandy was the most prosperous province of France. Colbert was probably the greatest administrator of the old régime. A scientific and detailed analysis of the mechanism of this direct tax, its practical working and social effect on the populace and government has never before been made. Dr. Esmonin's monograph is the result of researches and impartial compilation and statement.

The method followed throughout the work is that of concrete illustration along well-defined lines of study and presentation. Edicts and instructions given by Colbert are often hidden behind the royal signature, but appeals and representations addressed to him give clues to the organizing mind which prompted the various efforts of the monarch to reform and reorganize this important part of the fiscal system. This correspondence between the minister and officials is liberally quoted in the text of the book and referred to in the numerous footnotes.

The book is in two parts. Chapters 1 to 5 are studies of the *taille* as a system of direct taxation. Chapter 1 approaches it from its basis in royal prerogative, method of determining gross sum to be levied, central administration, distribution to the generalities presided over by the treasurers-general resident in Paris, distribution to the election districts within each generality, distribution to the parishes, and finally to the *contribuables* within each